

## Message Text

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70

ACTION FEA-01

INFO OCT-01 EUR-12 ISO-00 AEC-07 AID-05 CEA-01 CIAE-00

CIEP-02 COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01

OES-05 SP-02 SS-15 STR-04 TRSE-00 FRB-01 /091 W

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R 161634Z JAN 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC 9045

UNCLAS ROME 0677

E.O. 11652: N/A

TAGS: ENRG

SUBJECT: FEA STUDY: NATIONAL OIL COMPANIES

REF: STATE 009029

1. RESPONSES KEYED TO QUESTIONS REFTEL: (A) GOI DOES NOT RPT NOT RESERVE PORTION ITALIAN MARKET FOR NATIONALLY CONTROLLED COMPANIES (EXCEPT NATURAL GAS). GOI DOES CONTROL PRICING OF PETROLEUM PRODUCTS AND GOVERNMENT AUTHORIZATION REQUIRED FOR CHANGES IN REFINING CAPACITY AND FOR ADDITIONAL RETAIL OUTLETS. TO DATE, THESE REQUIREMENTS HAVE BEEN APPLIED IMPARTIALLY TO BOTH NATIONALLY-CONTROLLED AND NON-NATIONALLY-CONTROLLED COMPANIES. BY LAW, STATE-OWNED HYDROCARBONS AUTHORITY ENTE NAZIONALE IDROCARBURI (ENI) AND ITS VARIOUS OPERATING COMPANIES HAVE MONOPOLY OF GAS DISTRIBUTION, RETAILED DIRECTLY OR BY SALES AND CONTROLS OVER MUNICIPAL SYSTEMS RESPONSIBLE FOR HOUSEHOLD DISTRIBUTION. (B) NO. (C) ITALIAN DOMESTIC CONSUMPTION 1973, 1974 IN US DOLS DAY:

PRODUCT	1973	1974 (PROVISIONAL DATA)
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GASOLINE	262,015	242,308
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KEROSENE	47,158	38,014
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GASOIL	365,744	376,065
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FUEL OIL	729,863	737,161
LUBRICANTS	10,452	10,682
LPG	55,934	58,158
BITUMEN	35,031	31,794
OTHER	39,660	31,068
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TOTAL	1,545,857	1,525,250

2. WHILE THERE IS NO DISCRIMINATION IN FAVOR OF NATIONALLY OR STATE-CONTROLLED COMPANIES, NATIONAL PETROLEUM PLAN FORESEES GREATER ROLE FOR STATE-OWNED ENI. ENI'S 1973 PURCHASE OF ENTIRE ITALIAN ASSESS SHELL EXAMPLE OF WAY IN WHICH ENI MARKET SHARE MIGHT BE INCREASED.

3. ENI, UNDER LAW 136, FEBRUARY 10, 1953; LAW 6, JANUARY 11, 1957 AS AMENDED, GRANTED SOLE EXPLORATION RIGHTS FOR PO VALLEY (SOME IMPORTANT GAS DISCOVERIES) AND EXCLUSIVE RIGHTS ON 500,000 HECTARES IN ADRIATIC OFFSHORE (GAS AND SOME OIL. LAW 613, JULY 21, 1967 GRANTED ENI EXCLUSIVE RIGHTS EXPLORATION ITALIAN OFFSHORE AREAS; AFTER EXPLORATION, ENI MAY CEDE UP TO 75 PER CENT ORIGINAL CONCESSION IN AREAS WHERE HYDROCARBONS HAVE BEEN DISCOVERED. ENI MUST HAVE MAJORITY SHARE IN ANY DOMESTIC JOINT VENTURES.

4. ENGLISH TRANSLATIONS LAW 613 AND NATIONAL PETROLEUM PLAN BEING POUCHED SEPARATELY FOR ATTENTION FEA.VOLPE

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
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**Current Classification:** UNCLASSIFIED  
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